

TITLE 27

PROPOSED REGULATIONS

UNIFIED PROGRAM

INFORMATION COLLECTION AND REPORTING STANDARDS

Department Reference Number: R-97-02

UPDATED INFORMATIVE DIGEST/PLAIN ENGLISH OVERVIEW

The Informative Digest/Plain English Overview presented in the 45-Day Public Notice dated April 3, 1998 remains unchanged with the following exceptions.

Related Emergency Rulemakings

On January 8, 1999, the Secretary adopted emergency regulations which are substantially the same as these proposed regulations. Simultaneously, two other emergency rulemaking packages were adopted to make conforming changes in Titles 19 and 22.

Fiscal Impact Estimates

Many CUPAs commented that the original assumptions were flawed or used inaccurate cost information. In response to the comments regarding mandated CUPA costs, Cal/EPA has revised the original cost estimates for CUPAs to provide technical assistance, tracking, and reporting. The revised total range of costs for all CUPAs has been increased from a range of \$448,124 to \$4,311,873 to a new range from \$2,154,617 to \$7,616,145 for the 69 CUPAs currently certified to perform these activities. Cal/EPA has modified the original estimates as follows:

- A. Technical Assistance to Businesses: CUPAs report that they do not use clerical staff to provide technical assistance to businesses. Instead, most assistance is provided by the inspector during an inspection. Also the estimate of 15 percent of businesses needing assistance (5 percent professional assistance and 10 percent clerical assistance), and the professional staff cost estimate was seen as too low. The following changes in assumptions for technical assistance have been made:

Technical Assistance to Businesses

Assumptions	Original Estimate	Revised Estimate	Difference
Number of businesses needing professional assistance	5,500 (5%) businesses	27,500 (25%) businesses	+\$481,250
Number of minutes needed	x 10 minutes	x 10 minutes	
Staff cost	x \$100/hour	x \$125/hour	
	= \$91,666	= \$572,916	
Number of businesses needing clerical assistance	11,000 (10%) businesses	0	- \$45,833
Number of minutes needed	x 5 minutes		
Staff cost	x \$50/hour		
	= \$45,833		
Totals	\$137,499	\$572,916	+\$435,417

Using a variability of 25 percent and a mid point of \$572,916, the range of the total cost for technical assistance is from a low of \$429,617 to a high of \$716,145.

- B. **Tracking CUPA Activities and Information:** The proposed regulations require CUPAs to track their inspection and enforcement activities in a more detailed and consistent manner. Tracking costs include inspector time to record actions, data entry or clerical costs to compile individual facility and activity information, and management or programmer time to design and maintain tracking systems. Based on CUPA comments, the original cost estimate of \$5,000 to \$50,000 per CUPA has been increased to \$25,000 to \$80,000 per CUPA.

The original estimated cumulative amount of the one-time costs was a range of \$345,000 to \$3,450,000, with a mid-range of \$1 million most likely because of the variability in size of the CUPAs and the number of activities which they must begin to track. The revised cumulative amount of the one-time costs has been increased to a range of \$1,725,000 to

\$5,520,000, with a mid-range of \$3 million most likely. Some CUPAs with sophisticated data management systems may be able to add these items more easily, while others may have to redefine the types of inspection information tracked, which could require more programming time.

Cal/EPA has also increased the original estimate of the cost for maintenance of these data systems by 50 percent. The original estimate was a range from \$100,000 to \$400,000 per year statewide for inspector time and key data entry. This cost has been increased to a range from \$150,000 to \$600,000 for statewide costs.

- C. CUPA-to-State Reporting: In response to CUPA comments, Cal/EPA's estimate for the cost of CUPAs reporting to the State has been doubled. Based on the amount of new information to be included in these reports, the Secretary estimates that the cost per CUPA would range from zero, for those CUPAs that already prepare internal management reports with similar information, to \$20,000 for programming, technical staff, and management review and concurrence with the reports. Maximum cumulative one-time cost for 69 CUPAs would be \$1,380,000 and some CUPAs may have no new costs.

The original economic analysis with assumptions is found in the April 3, 1998, Public Notice, pages 10 to 20. The following table displays the original and revised estimates.

Summary of CUPA Fiscal Impact

<i>CUPA Fiscal Impact Summary One-time Costs</i>	<i>ORIGINAL</i>		<i>REVISED</i>	
	<i>Low Range Estimate</i>	<i>High Range Estimate</i>	<i>Low Range Estimate</i>	<i>High Range Estimate</i>
Technical Assistance	\$103,124	\$171,873	\$429,617	\$716,145
Tracking	\$345,000	\$3,450,000	\$1,725,000	\$5,520,000
Reporting	\$0	\$690,000	\$0	\$1,380,000
Totals	\$448,124	\$4,311,873	\$2,154,617	\$7,616,145
Change			+\$1,706,493	+\$3,304,272

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Inquiries regarding the technical aspects of the proposed regulations should be directed to either Dr. Sangat Kals, Chief, DTSC=s Unified Program Section at (916) 324-8293, or Ms. Beverly Rikala, of the same section at (916) 324-3114.